

✓4- I 28/4 Em 7  
14-2  
[SUBCOMMITTEE PRINT]

THE NUMBER OF FEDERAL EMPLOYEES  
ENGAGED IN REGULATORY ACTIVITIES

---

STAFF PAPER

PREPARED FOR THE

SUBCOMMITTEE ON OVERSIGHT  
AND INVESTIGATIONS

OF THE

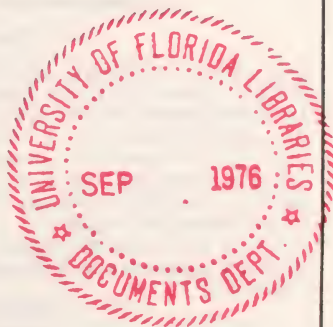
COMMITTEE ON INTERSTATE AND  
FOREIGN COMMERCE  
HOUSE OF REPRESENTATIVES

BY THE

CONGRESSIONAL BUDGET OFFICE



AUGUST 1976



U.S. GOVERNMENT PRINTING OFFICE

WASHINGTON : 1976

75-740

## COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

HARLEY O. STAGGERS, West Virginia, *Chairman*

JOHN E. MOSS, California  
JOHN D. DINGELL, Michigan  
PAUL G. ROGERS, Florida  
LIONEL VAN DEERLIN, California  
FRED B. ROONEY, Pennsylvania  
JOHN M. MURPHY, New York  
DAVID E. SATTERFIELD III, Virginia  
BROCK ADAMS, Washington  
W. S. (BILL) STUCKEY, Jr., Georgia  
BOB ECKHARDT, Texas  
RICHARDSON PREYER, North Carolina  
JAMES W. SYMINGTON, Missouri  
CHARLES J. CARNEY, Ohio  
RALPH H. METCALFE, Illinois  
GOODLOE E. BYRON, Maryland  
JAMES H. SCHEUER, New York  
RICHARD L. OTTINGER, New York  
HENRY A. WAXMAN, California  
ROBERT (BOB) KRUEGER, Texas  
TIMOTHY E. WIRTH, Colorado  
PHILIP R. SHARP, Indiana  
WILLIAM M. BRODHEAD, Michigan  
JAMES J. FLORIO, New Jersey  
ANTHONY TOBY MOFFETT, Connecticut  
JIM SANTINI, Nevada  
ANDREW MAGUIRE, New Jersey  
MARTIN A. RUSSO, Illinois

SAMUEL L. DEVINE, Ohio  
JAMES T. BROYHILL, North Carolina  
TIM LEE CARTER, Kentucky  
CLARENCE J. BROWN, Ohio  
JOE SKUBITZ, Kansas  
JAMES M. COLLINS, Texas  
LOUIS FREY, Jr., Florida  
JOHN Y. MCCOLLISTER, Nebraska  
NORMAN F. LENT, New York  
H. JOHN HEINZ III, Pennsylvania  
EDWARD R. MADIGAN, Illinois  
CARLOS J. MOORHEAD, California  
MATTHEW J. RINALDO, New Jersey  
W. HENSON MOORE, Louisiana

---

W. E. WILLIAMSON, *Clerk*

KENNETH J. PAINTER, *Assistant Clerk*

---

## SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS

JOHN E. MOSS, California, *Chairman*

RICHARD L. OTTINGER, New York  
ROBERT (BOB) KRUEGER, Texas  
ANTHONY TOBY MOFFETT, Connecticut  
JIM SANTINI, Nevada  
W. S. (BILL) STUCKEY, Jr., Georgia  
JAMES H. SCHEUER, New York  
HENRY A. WAXMAN, California  
PHILIP R. SHARP, Indiana  
ANDREW MAGUIRE, New Jersey  
HARLEY O. STAGGERS, West Virginia  
(Ex Officio)

JAMES M. COLLINS, Texas  
NORMAN F. LENT, New York  
MATTHEW J. RINALDO, New Jersey  
W. HENSON MOORE, Louisiana  
SAMUEL L. DEVINE, Ohio (Ex Officio)

MICHAEL R. LEMOV, *Chief Counsel*  
THOMAS GREENE, *Counsel to the Chairman*  
JAMES NELLIGAN, *Operations Director*  
FRANCES WHITE, *Deputy Chief Counsel*  
LOWELL DODGE, *Special Counsel*  
KIRK C. SMITH, *Special Assistant*

## LETTER OF TRANSMITTAL

---

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS,  
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,  
*Washington, D.C., August 16, 1976.*

HON. HARLEY O. STAGGERS,  
*Chairman, Committee on Interstate and Foreign Commerce,  
U.S. House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: I am transmitting herewith a Congressional Budget Office (CBO) Report entitled "Estimate of the Number of Federal Employees Engaged in Regulatory Activities." The CBO Study, conducted for the Subcommittee at my request, concludes: "Under a refined definition to determine positions more directly related to regulation by excluding program support positions not directly involved in regulation, the estimate of the number of Federal regulators would be 84,773." Even when the CBO adds 7,399 positions not directly related to regulation such as public information, consumer education, legislative liaison, and research, the total still falls significantly short of recent claims that there are over 100,000 regulators employed by the Federal Government.

The 84,773 figure is small compared to the total number of Federal workers. 4,561,400 persons are employed by the Federal Government, according to the President's proposed 1977 budget. Thus, about 2% of all Federal workers are directly, but not exclusively, involved in regulation. Approximately, 45% of all Federal workers are in military uniform. The 84,773 figure is also small when compared to persons employed by one of America's leading manufacturers, General Motors, which now has 756,000 persons on its payroll.

The CBO recognizes that there "is no single accepted definition of what constitutes regulation by the Federal Government." To determine a reasonable basis for identifying Federal employees engaged in regulatory activities, the CBO started with its broadest definition by including activities which:

- Impact [on] the operating business environment of broad sectors of private enterprise, including market entry and exit; rate, price, and profit structures; and competition;

- Impact [on] specific commodities, products, or services through permit, certification, or licensing requirements; and

- Involve the development, administration, and enforcement of national standards, violations of which could result in civil or criminal penalties, or which result in the types of impact described above.

The report calls this "the CBO general definition." For a more refined definition, the CBO excluded support positions not directly related to regulation. The positions excluded are those of persons engaged

primarily in: (1) public information, consumer education, legislative matters, complaint processing, business and consumer advice or assistance, and research; and (2) data gathering and economic analysis functions not directly and primarily related to regulatory activity.

There were thirty-three departments and agencies which fell within the scope of the CBO general definition. Most of the Federal regulators were found in Executive Departments (63%) and the remainder in independent regulatory agencies (37%).

In terms of the types of regulatory activities under the CBO general definition, the four categories and their percentages of the total are:

	<i>Percent</i>
Economic regulation of commerce, transportation, agriculture, and communications-----	17
Health, safety, and environmental and consumer protection regulation---	58
Regulation of banking and financial activities-----	14
Employment and civil rights regulation-----	11
Total-----	100

As you know, throughout the past year, the Subcommittee on Oversight and Investigations has conducted an extensive study of the need and means for reform of the regulatory process. The subcommittee has obtained the views from those in business, government, the academic community, and the public at large. It has conducted hearings on nine agencies within our jurisdiction: the Interstate Commerce Commission, Federal Trade Commission, Federal Communications Commission, Federal Power Commission, Securities and Exchange Commission, Environmental Protection Agency, Food and Drug Administration, National Highway Traffic Safety Administration, and the Consumer Product Safety Commission.

The subcommittee expects to complete the first of several parts of its report on regulatory reform shortly. Towards that effort, the Congressional Budget Office report will be of considerable value to the subcommittee and to the Congress.

Sincerely,

JOHN E. MOSS,  
*Chairman, Oversight and Investigations Subcommittee.*



## SUMMARY

### *Background*

Chairman John E. Moss of the Subcommittee on Oversight and Investigations of the House Committee on Interstate and Foreign Commerce requested the assistance of the Congressional Budget Office in the subcommittee's review of regulatory agencies. Specifically, the Chairman asked that the CBO provide its best estimate of the number of federal employees engaged in regulatory activities.

### *Defining regulation*

There is no single accepted definition of what constitutes regulation by the federal government. The broadest definition would include all governmental activities which somehow affect the operations of private industry or the lives of private citizens. Such a definition would result in the identification of most federal activities as regulatory. Developing staffing estimates for federal agencies involves the identification of positions needed for direct program operations, program support, and administrative support. In the regulatory agencies program support positions include those involved in public information, consumer education, legislative matters, complaint processing, business and consumer advice or assistance, and research. Also, there are persons engaged in data gathering and economic analysis functions not directly and primarily related to regulatory activity in agencies with regulatory functions.

Because of the broadly varying views of what constitutes regulation, the CBO analysis used a general definition which would provide a "reasonable" basis for identifying federal employees engaged in regulatory activities. The CBO general definition included activities which:

- impact the operating business environment of broad sectors of private enterprise, including market entry and exit; rate, price, and profit structures; and competition;

- impact specific commodities, products, or services through permit, certification, or licensing requirements; and

- involve the development, administration, and enforcement of national standards, violations of which could result in civil or criminal penalties, or which result in the types of impact described above.

### *The CBO staffing estimate*

Thirty-three departments and agencies are involved in activities which appear to come within the scope of the CBO general definition of regulation. These agencies are devoting 92,172 man-years of effort during fiscal year 1976 to these activities. Under a refined definition to determine positions more directly related to regulation by excluding program support positions not directly involved in regulation, the estimate of the number of federal regulators would be 84,773.

## SUMMARY OF FISCAL YEAR 1976 REGULATORY MAN-YEARS, BY AGENCY

Department or agency	Number under CBO general definition	Number excluding program support positions	Total <sup>1</sup>
Agriculture.....	20, 470	2, 582	17, 888
Commerce.....	2, 250		2, 260
Defense.....	789		789
Health, Education, and Welfare.....	8, 023	789	7, 234
Housing and Urban Development.....	166		166
Interior.....	3, 561	84	3, 477
Justice.....	1, 161	602	1, 151
Labor.....	7, 055		6, 453
Transportation.....	9 317	287	9, 030
Treasury.....	5, 028		5, 028
Civil Aeronautics Board.....	708	29	679
Commission on Civil Rights.....	302	12	290
Commodity Futures Trading Commission.....	450	12	438
Consumer Product Safety Commission.....	935	65	870
Environmental Protection Agency.....	6, 938	2, 029	4, 909
Equal Employment Opportunity Commission.....	2, 584	22	2, 562
Federal Communications Commission.....	2, 018	173	1, 845
Federal Deposit Insurance Corporation.....	3, 265	19	3, 246
Federal Energy Administration.....	1, 824	127	1, 697
Federal Home Loan Bank Board.....	1, 205	62	1, 143
Federal Maritime Commission.....	321	11	310
Federal Power Commission.....	1, 398	14	1, 384
Federal Reserve Board.....	277		277
Federal Trade Commission.....	1, 678	203	1, 475
Interstate Commerce Commission.....	2, 142	9	2, 133
National Credit Union Administration.....	602	13	589
National Labor Relations Board.....	2, 570	11	2, 559
National Mediation Board.....	105		105
National Transportation Safety Board.....	386	6	380
Nuclear Regulatory Commission.....	2, 335	179	2, 156
Occupational Safety and Health Review Commission.....	179	5	174
Postal Rate Commission.....	90	1	89
Securities and Exchange Commission.....	2, 030	53	1, 977
Total.....	92, 172	7, 399	84, 773

<sup>1</sup> CBO general definition less program support.

As shown below, more man-years are being expended in the areas of health, safety, and environmental and consumer protection regulation than in any of the other principal categories identified. Of the total of 92,172 man-years, 57,830 are in departments and 34,342 in independent agencies.

*Summary of fiscal year 1976 man-years devoted to regulatory activities under CBO general definition*

Economic regulation of commerce, transportation, agriculture, and communications.....	15, 422
Health, safety, and environmental and consumer protection regulation.....	53, 729
Regulation of banking and financial activities.....	13, 193
Employment and civil rights regulation.....	9, 828
Total.....	92, 172

*The CBO budgetary cost estimate*

The fiscal year 1976 estimated budgetary cost of the activities covered by the CBO general definition of regulation is \$2.9 billion.

Of the \$2.9 billion in outlays, \$2.1 billion is associated with 7 of the 33 departments and agencies:

*Fiscal year 1976 outlays for regulatory activities by agency (millions of dollars)*

Department of Agriculture.....	500
Environmental Protection Agency.....	444
Department of Transportation.....	402
Department of Health, Education, and Welfare.....	265
Department of Labor.....	226
Nuclear Regulatory Commission.....	200
Department of Treasury.....	102
Subtotal.....	2, 139
All others.....	715
Total.....	2, 854



Digitized by the Internet Archive  
in 2013

<http://archive.org/details/numberoffede>



## CONTENTS

	<b>Page</b>
Chapter I—Introduction.....	1
Chapter II—Survey Results.....	3
Chapter III—Budgetary Costs of Regulation.....	8
Appendix A—Analytical Approach.....	9
Appendix B—Manpower Documentation.....	14
Appendix C—Budgetary Cost Documentation.....	16

(IX)



# THE NUMBER OF FEDERAL EMPLOYEES ENGAGED IN REGULATORY ACTIVITIES

## CHAPTER I

### INTRODUCTION

#### BACKGROUND

The Subcommittee on Oversight and Investigations of the House Committee on Interstate and Foreign Commerce is engaged in a regulatory reform review of nine agencies within its jurisdiction. Chairman John E. Moss requested the assistance of the Congressional Budget Office (CBO) in developing information for the Subcommittee. Specifically, the Chairman requested CBO's best estimate of the number of federal employees engaged in regulatory activities. The results of the analytical effort undertaken to develop the estimate follow. A more detailed description of the analytical approach is provided in Appendix A.

#### DEFINING REGULATION

There is no single accepted definition of what constitutes regulation by the federal government; and definition is the critical element in developing any staffing estimate. A "traditional" definition would include those activities which impact major aspects of private enterprise operations, such as market entry and exit; rate, price, and profit structures; and competitive environment. This definition would—at a minimum—cover the oldest and some of the best known independent regulatory agencies; e.g., the Interstate Commerce Commission, Federal Trade Commission, Federal Communications Commission, Federal Power Commission, and the Securities and Exchange Commission. Many activities of the federal government in the areas of health, safety, environmental and consumer protection, and employment standards have significant regulatory impact on private enterprise operations. The broadest definition of federal regulation would include all governmental activities which somehow affect the operations of private industry or the lives of private citizens. Such a definition would result in the identification of most federal activities as regulatory.

#### CBO GENERAL DEFINITION OF REGULATION

Because of the broadly varying views of what constitutes regulation, the CBO analysis used a general definition which would provide a "reasonable" basis for identifying federal employees engaged in regulatory activities. The CBO general definition included activities which—

Impact on the operating business environment of broad sectors of private enterprise, including market entry and exit; rate, price, and profit structures; and competition;

Impact on specific commodities, products, or services through permit, certification, or licensing requirements; and

Involve the development, administration, and enforcement of national standards, violations of which could result in civil or criminal penalties, or which result in the types of impact described above.

There are other activities found in several agencies which are difficult to categorize as regulatory, nonregulatory, or something in between. The CBO estimate would be much higher if staffing for these activities were included. A description of these "borderline" activities is included in the chapter on survey results.

The scope of the definition did not include certain major governmental program areas: national defense and foreign policy activities; law enforcement activities; revenue collection activities (e.g., the Internal Revenue Service); the internal management of the federal government (e.g., the Civil Service Commission); and economic policy;

## CHAPTER II

### SURVEY RESULTS

#### OVERVIEW

Thirty-three departments and agencies are involved in activities which appear to come within the scope of the CBO general definition of regulation. These agencies are devoting 92,172 man-years of effort during fiscal year 1976 to these activities. As shown below, more man-years are being expended in the areas of health, safety, and environmental and consumer protection regulation than in any of the other principal categories identified. Of the total of 92,172 man-years, 57,830 are in departments and 34,342 are in independent agencies.

*Summary of fiscal year 1976 man-years devoted to regulatory activities under CBO  
general definition*

Economic regulation of commerce, transportation, agriculture, and communications-----	15, 422
Health, safety, and environmental and consumer protection regulation--	53, 729
Regulation of banking and financial activities-----	13, 193
Employment and Civil Rights Regulation-----	9, 828
Total-----	92, 172

A more refined definition of administrative and program support positions identified to regulatory program activities would reduce the estimate of 92,172 by 7,399 to 84,773. The excluded positions are those of persons engaged primarily in: (1) public information, consumer education, legislative matters, complaint processing, business and consumer advice or assistance, and research; and (2) data gathering and economic analysis functions not directly and primarily related to regulatory activity.



*Exclusion of certain administrative and program support-type positions—Number of positions in activities to be excluded*

<i>Department or agency</i>	
Agriculture.....	2, 582
Commerce.....	
Defense.....	
Health, Education, and Welfare.....	789
Housing and Urban Development.....	
Interior.....	84
Justice.....	
Labor.....	602
Transportation.....	287
Treasury.....	
Civil Aeronautics Board.....	29
Commission on Civil Rights.....	12
Commodity Futures Trading Commission.....	12
Consumer Product Safety Commission.....	65
Environmental Protection Agency.....	2, 029
Equal Employment Opportunity Commission.....	22
Federal Communications Commission.....	173
Federal Deposit Insurance Corporation.....	19
Federal Energy Administration.....	127
Federal Home Loan Bank Board.....	62
Federal Maritime Commission.....	11
Federal Power Commission.....	14
Federal Reserve Board.....	
Federal Trade Commission.....	203
Interstate Commerce Commission.....	9
National Credit Union Administration.....	13
National Labor Relations Board.....	11
National Mediation Board.....	
National Transportation Safety Board.....	6
Nuclear Regulatory Commission.....	179
Occupational Safety and Health Review Commission.....	5
Postal Rate Commission.....	1
Securities and Exchange Commission.....	53
<b>Total.....</b>	<b>7, 399</b>

**ECONOMIC REGULATION OF COMMERCE, TRANSPORTATION, AGRICULTURE,  
AND COMMUNICATIONS**

The economic regulation of commerce, transportation, agriculture, and communications includes market entry and exit; price, rate, and profit structures; and competitive environment. In fiscal year 1976, 15,422 man-years were devoted to this category.

*Fiscal year 1976 man-years for economic regulation by agency*

Department of Agriculture.....	3, 014
Department of Commerce.....	2, 260
Federal Communications Commission.....	2, 018
Federal Energy Administration.....	1, 824
Federal Power Commission.....	1, 398
Federal Trade Commission.....	862
Interstate Commerce Commission.....	2, 142
All others.....	1, 904
<b>Total.....</b>	<b>15, 422</b>

*Fiscal year 1976 man-years for economic regulation by activity*

Award of franchises and other rights.....	4, 723
Rate, price, and profit structure.....	3, 406
Antitrust promotion of competition.....	1, 742
Financial condition and procedures.....	503
Other.....	5, 048
Total.....	15, 422

All of the man-years for the Department of Commerce (2,260) are for the issuance of patents (Award of Franchises and Other Rights). Of the Department of Agriculture's 3,014 man-years, 1,277 are for inspection, grading, classing, and standardization of certain agricultural products; and 844 are for tobacco and peanut acreage allotments and marketing quotas.

Major activities in the independent agencies include:

1,127 man-years in the Federal Communications Commission for licensing activities and 455 man-years for enforcement of rules and regulations related to radio services.

775 man-years in the Federal Trade Commission for activities related to anti-trust and promotion of competition.

509 man-years in the Federal Power Commission for the issuance of permits and licenses for non-Federal hydroelectric power projects and for certificates for interstate gas sales and construction and operation of interstate pipeline facilities; 499 man-years for regulation of rates in interstate wholesale transactions in electric power and natural gas.

1,658 man-years in the Federal Energy Administration related to rates and prices for crude oil, petroleum products, and other energy resources.

#### HEALTH, SAFETY, AND ENVIRONMENTAL AND CONSUMER PROTECTION REGULATION

Of the 53,729 man-years devoted to health, safety, and environmental and consumer protection regulation, 50,178 or 93 percent are in seven agencies.

#### *Fiscal year 1976 man-years for health, safety, and environmental and consumer protection regulation by agency*

Department of Agriculture.....	17, 456
Department of Health, Education, and Welfare.....	8, 023
Department of the Interior.....	3, 561
Department of Labor.....	2, 570
Department of Transportation.....	9, 317
Environmental Protection Agency.....	6, 938
Nuclear Regulatory Commission.....	2, 313
All others.....	3, 551
Total.....	53, 729

The largest single bloc of man-years (11,547) is expended in meat and poultry inspection by the Department of Agriculture. Agriculture also devotes 4,683 man-years to animal and plant disease and pest control. Most of the man-years of the Department of Health, Education, and Welfare's regulatory total are chargeable to the activities of

the Food and Drug Administration. The majority (3,134) of the man-years for the Department of the Interior are related to mining safety. In the Department of Labor the man-years are for occupational safety and health activities.

The Department of Transportation devotes 5,043 man-years to aviation safety (Federal Aviation Administration) and 2,842 man-years to water safety (U.S. Coast Guard). The man-years for the Environmental Protection Agency do not include its construction grants program and certain other functions not related directly to regulatory activities.

Of the total of 53,729 man-years, the majority are devoted to public health and safety (26,175) and consumer health and safety (12,537).

#### REGULATION OF BANKING AND FINANCIAL ACTIVITIES

This category includes federal chartering, insuring of deposits, and financial oversight of banking and financial institutions, including national banks, insured State banks, credit unions, and savings and loan institutions. A total of 8,059 man-years are devoted to these activities in the Federal Reserve, Federal Deposit Insurance Corporation, Federal Home Loan Bank Board, Comptroller of the Currency, and National Credit Union Administration. The monetary policy responsibilities of the Federal Reserves Board have been excluded.

This category also includes the Securities and Exchange Commission (2,030 man-years), the Commodity Futures Trading Commission (450 man-years), and activities of the Departments of the Treasury and Labor related to employee pension plans (1,188 and 578 man-years respectively).

#### EMPLOYMENT AND CIVIL RIGHTS REGULATION

This category covers governmental activities which pertain to employment opportunity and other civil rights activities, compensation, and labor relations. A total of 9,828 man-years were devoted to this category in fiscal year 1976. Major activities include:

3,791 man-years for employment opportunity and other civil rights activities (Departments of Justice and Labor, Equal Employment Opportunity Commission, and Commission on Civil Rights).

3,534 man-years for labor relations (Department of Labor, National Labor Relations Board, and National Mediation Board).

2,379 man-years for the administration of federal laws pertaining to compensation (Department of Labor).

#### "GRAY AREA" ACTIVITIES

##### FEDERAL GRANT, CONTRACT, AND ENTITLEMENT PROGRAMS

Federal programs providing assistance and transfer payments in areas such as education, training, unemployment, health, and income security have regulations which determine eligibility requirements and benefit levels. Federal grantees and contractors must conform with certain regulations as a requirement associated with doing



business with the federal government. Arguments can be made pro and con about the "regulatory" nature of any of these programs. These activities were not included in the CBO estimate because the requirements involved deal primarily with the *administration* of programs whose primary objectives are not to regulate private sector operations but to achieve different public policy goals.

#### CERTAIN GOVERNMENT OPERATED OR MANAGED ACTIVITIES

Federal programs for managing public lands, national parks, and similar resources involve the Bureau of Land Management, the Forest Service, the National Park Service, the Geological Survey, and the Ocean Mining Administration. These activities can impact private business significantly through the Government's control of access to the resources involved. The programs have been excluded from the CBO estimate because their primary objective is to manage the public domain. Also excluded are activities such as the St. Lawrence Seaway Development Corporation, the Tennessee Valley Authority, and the Bonneville Power Administration. In these programs the Federal Government is operating as a business enterprise rather than regulating private enterprise operations.

#### INFORMATION GATHERING ACTIVITIES

Many Federal departments and agencies conduct information gathering activities not related directly to a regulatory responsibility. Such activities have not been included in the CBO estimate, even though they may place a "paperwork" requirement on an industry, State or local government, or private individual. The following indicates the staffing of major information gathering activities not related to regulatory responsibilities.

*Estimate, 1976, of principal Federal statistical programs—permanent positions by agency*

Department of Agriculture, Statistical Reporting Service.....	1, 235
Department of Commerce:	
Bureau of the Census.....	4, 385
Bureau of Economic Analysis.....	517
Department of Health, Education, and Welfare:	
National Center for Education Statistics.....	191
National Center for Health Statistics.....	522
Department of Labor: Bureau of Labor Statistics.....	1, 774
Total.....	8, 624

Source: Special Analysis G; Budget of the United States Government; Fiscal Year 1977.

## CHAPTER III

### BUDGETARY COSTS OF REGULATION

The fiscal year 1976 estimated budgetary cost of the activities covered by the CBO general definition of regulation is \$2.9 billion.

The estimate includes the total outlays for the independent agencies and departmental bureaus whose entire mission is identified as regulatory plus an average cost of \$20,000 per regulatory man-year in other agencies. The outlay figures do not reflect offsetting receipts from user charges.

Of the \$2.9 billion in outlays, \$2.1 billion is associated with 7 of the 33 departments and agencies:

*Fiscal year 1976 outlays for regulatory activities by agency (millions of dollars)*

Department of Agriculture.....	500
Environmental Protection Agency.....	444
Department of Transportation.....	402
Department of Health, Education, and Welfare.....	265
Department of Labor.....	226
Nuclear Regulatory Commission.....	200
Department of the Treasury.....	102
Subtotal.....	2, 139
All others.....	715
Total.....	2, 854



## APPENDIX A

### ANALYTICAL APPROACH

Four steps were taken in developing an estimate of the number of federal employees engaged in regulatory activities. They were:

- Development of a working definition of regulation to provide a basis for identifying federal employees engaged in regulatory activities;

- The initial identification of departments and agencies with activities which appeared to come within the scope of the definition;

- Collection of staffing data from the identified departments and agencies; and

- Analysis of the data.

### DEFINING REGULATION

Because of the varying views of what constitutes regulation, the CBO analysis used a general definition which would provide a reasonable basis for identifying federal employees engaged in regulatory activities. The CBO definition included activities which:

- Impact the operating business environment of broad sectors of private enterprise, including market entry and exit, rate, price, and profit structures;

- Impact specific commodities, products, or services through permit, certification, or licensing requirements; and

- Involve the development, administration, and enforcement of national standards, violations of which could result in civil or criminal penalties, or which result in the types of impact described above.

Not considered within the scope of the definition were certain major governmental program areas: national defense and foreign policy activities; law enforcement activities; revenue collection activities (e.g., Internal Revenue Service); internal management of the federal government (e.g., the Civil Service Commission); and economic policy.

### IDENTIFICATION OF REGULATORY ACTIVITIES

A review of functional descriptions and mission statements found in the United States Government Organization Manual, the Budget of the United States, and other relevant documents resulted in the identification of 33 departments and agencies within the executive branch with activities which appear to come within the scope of the CBO definition of regulation (see listings at end of appendix). Excluded from the review were the Executive Office of the President and certain boards, committees, and commissions. The Executive Office of the President was excluded because of its primary role as a staff support organization for the President. The boards, committees,

and commissions were excluded because of the absence of any meaningful concentration of positions and the marginal impact of their operations. Also excluded were advisory committees, quasi-official agencies, multilateral organizations; and bilateral organizations.

#### COLLECTION OF STAFFING DATA

Staffing data for fiscal year 1976 were requested from the 33 departments and agencies having identified regulatory activities. The data were requested in terms of man-years to adjust for other than full-time employment and for positions which are split between regulatory and non-regulatory activities. No distinction was made between clerical and professional positions. Administrative and program support positions were prorated to program activities in the compilation of data under the general definition without further distinction as to the kinds of support positions counted.

In most cases the agencies were able to supply the information as requested, although in some instances slight adjustments were made due to particular budget or organizational idiosyncrasies. These adjustments did not affect the overall results of the survey.

#### ANALYSIS OF THE DATA

The data submitted by the departments, and agencies were compiled by major type of regulation (e.g., economic regulation, health and safety, etc.) and by subcategory within major type. There were, however, certain areas of governmental activity which were difficult to categorize as regulatory, non-regulatory, or something in-between. The CBO estimate would be much higher if staffing for these activities were included. A description of these "borderline" activities has been included in the report.

#### EXECUTIVE BRANCH ORGANIZATIONS WITH REGULATORY ACTIVITIES

##### *Departments*

Agriculture  
Commerce  
Defense (Corps of Engineers)  
Health, Education, and Welfare  
Housing and Urban Development  
Interior  
Justice  
Labor  
Transportation  
Treasury

##### *Independent agencies*

Board of Governors of the Federal Reserve System  
Civil Aeronautics Board  
Commission on Civil Rights  
Commodity Futures Trading Commission  
Consumer Product Safety Commission  
Environmental Protection Agency  
Equal Employment Opportunity Commission  
Federal Communications Commission

Federal Deposit Insurance Corporation  
 Federal Energy Administration  
 Federal Home Loan Bank Board  
 Federal Maritime Commission  
 Federal Power Commission  
 Federal Trade Commission  
 Interstate Commerce Commission  
 National Credit Union Administration  
 National Labor Relations Board  
 National Mediation Board  
 National Transportation Safety Board  
 Nuclear Regulatory Commission  
 Occupational Safety and Health Review Commission  
 Postal Rate Commission  
 Securities and Exchange Commission

*Executive branch organizations not having regulatory activities*

Department of State  
 ACTION  
 Administrative Conference of the United States  
 American Battle Monuments Commission  
 American Revolution Bicentennial Administration  
 Appalachian Regional Commission  
 Canal Zone Government  
 Commission on Fine Arts  
 Community Services Administration  
 District of Columbia  
 Energy Research and Development Administration  
 Export-Import Bank of the United States  
 Farm Credit Administration  
 Federal Election Commission  
 Federal Mediation and Conciliation Service  
 Foreign Claims Settlement Commission of the U.S.  
 General Services Administration  
 Indian Claims Commission  
 Inter-American Foundation  
 National Aeronautics and Space Administration  
 National Foundation on the Arts and Humanities  
 National Science Foundation  
 Overseas Private Investment Corporation  
 Panama Canal Company  
 Pension Benefit Guaranty Corporation  
 Railroad Retirement Board  
 Renegotiation Board  
 Selective Service System  
 Small Business Administration  
 Smithsonian Institution  
 Tennessee Valley Authority  
 U.S. Arms Control and Disarmament Agency  
 U.S. Civil Service Commission  
 U.S. Information Agency  
 U.S. International Trade Commission  
 U.S. Postal Service  
 Veterans Administration



*Organizations not included in survey*

Legislative branch

Judicial branch

Executive Office of the President

Quasi-Official Agencies:

National Academy of Sciences

National Railroad Passenger Corporation (Amtrak)

The American Red Cross

Multilateral International Organizations

Bilateral Organizations

Advisory Committees

Selected Boards, Committees, and Commissions

Administrative Committee of the Federal Register

Advisory Commission on Intergovernmental Relations

Board of Foreign Scholarships

Board on Geographic Names

Commission on Presidential Scholars

Committee for Purchase from the Blind and Other Severely Handicapped

Delaware River Basin Commission

Distinguished Civilian Service Awards Board

Export Administration Review Board

Federal Advisory Council on Regional Economic Development

Federal Council for Science and Technology

Federal Fire Council

Federal Labor Relations Council

Federal Library Committee

Federal Records Council

Federal Safety Advisory Council

Federal Service Impasses Panel

Foreign-Trade Zones Board

Franklin Delano Roosevelt Memorial Commission

Indian Arts and Crafts Board

Interagency Classification Review Committee

Interdepartment Radio Advisory Committee

Interdepartmental Committee on the Status of Women

Interdepartmental Savings Bonds Committee

Interim Compliance Panel

Marine Mammal Commission

Migratory Bird Conservation Commission

Mississippi River Commission

National Advisory Council on the Education of Disadvantaged Children

National Advisory Council on International Monetary and Financial Policies

National Archives Trust Fund Board

National Capital Planning Commission

National Commission on Libraries and Information Science

National Commission on Water Quality

National Forest Reservation Commission

National Historical Publications and Records Commission

National Park Foundation

National Review Board for the Center for Cultural and Technical Interchange Between East and West  
 Permanent Committee for the Oliver Wendell Holmes Devise  
 President's Commission on Personnel Interchange  
 President's Committee on Employment of the Handicapped  
 President's Economic Policy Board  
 President's Foreign Intelligence Advisory Board  
 Regional Action Planning Commissions  
 Susquehanna River Basin Commission  
 Trade Expansion Act Advisory Committee  
 United States Advisory Commission on International Educational and Cultural Affairs  
 United States National Commission for UNESCO  
 United States Territorial Expansion Memorial Commission  
 Veterans Day National Committee  
 Water Resources Council



## APPENDIX B

### MANPOWER DOCUMENTATION

#### ECONOMIC REGULATION OF COMMERCE, TRANSPORTATION, AGRICULTURE, AND COMMUNICATIONS

[Fiscal year 1976 man-years]

Department or agency	Award of franchises and other rights	Rate price and profit structure	Antitrust; promotion of competition	Financial health and procedures	Other	Total
Agriculture.....	15	38	67		2, 894	3, 014
Commerce.....	2, 260					2, 260
Justice.....			801			801
Civil Aeronautics Board.....	272	176	64	93	84	689
Federal Communications Commission.....	1, 127	192	10		689	2, 018
Federal Energy Administration.....	120	1, 658	3		43	1, 824
Federal Maritime Commission.....	123	179				302
Federal Power Commission.....	509	499		99	291	1, 398
Federal Trade Commission.....		87	775			862
Interstate Commerce Commission.....	297	487		311	1, 047	2, 142
Nuclear Regulatory Commission.....			22			22
Postal Rate Commission.....		90				90
Total.....	4, 723	3, 406	1, 742	503	5, 048	15, 422

#### HEALTH, SAFETY, AND ENVIRONMENTAL AND CONSUMER PROTECTION REGULATION

[Fiscal year 1976 man-years]

Department or agency	Public health and safety	Worker health and safety	Consumer health and safety	Consumer protection	Other	Total
Agriculture.....			11, 547	160	5, 749	17, 456
Defense.....	789					789
Health, Education, and Welfare.....	7, 257	760		6		8, 023
Interior.....		3, 314			247	3, 561
Housing and Urban Development.....			34	132		166
Labor.....		2, 570				2, 570
Transportation.....	8, 981	205	12	1	118	9, 317
Treasury.....	39			203		242
Civil Aeronautics Board.....				19		19
Consumer Product Safety Commission.....			935			935
Environmental Protection Agency.....	6, 938					6, 938
Federal Maritime Commission.....	12			7		19
Federal Trade Commission.....			9	807		816
National Transportation Safety Board.....	386					386
Nuclear Regulatory Commission.....	2, 313					2, 313
Occupational Safety and Health Review Commission.....		179				179
Total.....	26, 715	7, 028	12, 537	1, 335	6, 114	53, 729

#### REGULATION OF BANKING AND FINANCIAL ACTIVITIES

[Fiscal year 1976 man-years]

Department or agency	Regulation of banks and financial institutions	Other financial regulation	Total
Treasury.....	2, 710	2, 076	4, 786
Labor.....		578	578
Federal Reserve Board.....	277		277
Federal Deposit Insurance Corporation.....	3, 265		3, 265
Federal Home Loan Bank Board.....	1, 205		1, 205
National Credit Union Administration.....	602		602
Commodity Futures Trading Commission.....		450	450
Securities and Exchange Commission.....		2, 030	2, 030
Total.....	8, 059	5, 134	13, 193

## EMPLOYMENT AND CIVIL RIGHTS REGULATION

[Fiscal year 1976 man-years]

Department or agency	Employment opportunity and other civil rights	Compensation and benefits	Labor relations	Other	Total
Justice.....	360				360
Labor.....	545	2,379	859	124	3,907
Commission on Civil Rights.....	302				302
Equal Employment Opportunity Commission.....	2,584				2,584
National Labor Relations Board.....			2,570		2,570
National Mediation Board.....			105		105
Total.....	3,791	2,379	3,534	124	9,828

## REGULATORY MAN-YEARS BY AGENCY

[Fiscal year 1976 man-years]

Department or agency	Economic regulation of commerce, etc	Safety and health and related regulation	Banking and financial activities	Employment and civil rights	Total
Agriculture.....	3,014	17,456			20,470
Commerce.....	2,260				2,260
Defense.....		789			789
Health, Education, and Welfare.....		8,023			8,023
Housing and Urban Development.....		166			166
Interior.....		3,561			3,561
Justice.....	801			360	1,161
Labor.....		2,570	578	3,907	7,055
Transportation.....		9,317			9,317
Treasury.....		242	4,786		5,028
Civil Aeronautics Board.....	689	19			708
Commission on Civil Rights.....				302	302
Commodity Futures Trading Commission.....			450		450
Consumer Product Safety Commission.....		935			935
Environmental Protection Agency.....		6,938			6,938
Equal Employment Opportunity Commission.....				2,584	2,584
Federal Communications Commission.....	2,018				2,018
Federal Deposit Insurance Corporation.....			3,265		3,265
Federal Energy Administration.....	1,824				1,824
Federal Home Loan Bank Board.....			1,205		1,205
Federal Maritime Commission.....	302	19			321
Federal Power Commission.....	1,398				1,398
Federal Reserve Board.....			277		277
Federal Trade Commission.....	862	816			1,678
Interstate Commerce Commission.....	2,142				2,142
National Credit Union Administration.....			602		602
National Labor Relations Board.....				2,570	2,570
National Mediation Board.....				105	105
National Transportation Safety Board.....		386			386
Nuclear Regulatory Commission.....	22	2,313			2,335
Occupational Safety and Health Review Commission.....		179			179
Postal Rate Commission.....	90				90
Securities and Exchange Commission.....			2,030		2,030
Total.....	15,422	53,729	13,193	9,828	92,172

# APPENDIX C BUDGETARY COST DOCUMENTATION <sup>1</sup>

[Dollars in millions]

Departments:	
Agriculture.....	500
Commerce.....	84
Defense (Corps of Engineers).....	16
Health, Education, and Welfare.....	265
Housing and Urban Development.....	3
Interior.....	90
Justice.....	32
Labor.....	226
Transportation.....	402
Treasury.....	102
Subtotal.....	1,720
Independent agencies:	
Board of Governors of the Federal Reserve System.....	( <sup>2</sup> )
Civil Aeronautics Board.....	<sup>3</sup> 19
Commission on Civil Rights.....	8
Commodity Futures Trading Commission.....	12
Consumer Product Safety Commission.....	48
Environmental Protection Agency.....	444
Equal Employment Opportunity Commission.....	63
Federal Communications Commission.....	51
Federal Deposit Insurance Corporation.....	( <sup>2</sup> )
Federal Energy Administration.....	36
Federal Home Loan Bank Board.....	( <sup>2</sup> )
Federal Maritime Commission.....	8
Federal Power Commission.....	38
Federal Trade Commission.....	47
Interstate Commerce Commission.....	52
National Credit Union Administration.....	( <sup>2</sup> )
National Labor Relations Board.....	72
National Mediation Board.....	3
National Transportation Safety Board.....	12
Nuclear Regulatory Commission.....	200
Occupational Safety and Health Review Commission.....	6
Postal Rate Commission.....	3
Securities and Exchange Commission.....	12
Subtotal.....	1,134
Total.....	2,854

<sup>1</sup> Costs do not reflect offsetting receipts from user charges.

<sup>2</sup> These are self-supporting activities which do not require appropriation of U.S. Treasury funds.

<sup>3</sup> Payments to air carriers are not included.













UNIVERSITY OF FLORIDA



3 1262 09113 8346